



2022
2023

ANNUAL REPORT



Mountpark
in Meung sur Loire

Foreword

2022 got off to a flying start and maintained a sustained pace all year long.

That said, difficulties never coming alone, in fact we faced a squadron: construction costs soared in Europe and revised indexes lagged behind. Interest rates rose while financial leverage dropped. Land became scarce, thus more valuable. Administrative proceedings lengthened.

We had to deal with the complications at a brisk pace, our supply chain proved to be adaptive and so did we, we succeeded even with lower margin rates. We worked on this collectively.

In addition, there is the backdrop against which risks and opportunities intersect: the planet is getting hotter, CO2 emissions and energy consumption need to be reduced, and biodiversity is constantly under threat. At GSE, we have 30 experts addressing these challenges, expertise is the key to everything, our solutions are pragmatic and well-suited to our markets: multi-storey constructions, low carbon concrete slabbing, enerGiSE to control building consumption...

No man ever steps in the same river twice, this is true, more than ever. Our business had to improve and we now have the right tools: our teams, our skills and our convictions. We can already gauge how far we have come and the positive impact of our actions.

Thus, the world is changing and we are changing with it. Today's challenges need to overcome binary thinking to avoid isolation, opposition and division. We are eager to find common ground. Nowadays, it is our responsibility

to design and build with respect for nature, grow while serving our regions and succeed while taking care of human beings.

2022 was a difficult but intense year, logistics projects were numerous and industrial ones increased, activity in France remained at a high level and we saw growth in Europe.

The impact generated by the synergies with our parent company GOLDBECK was visible and it will be growing each year. In 2022, GSE completed the first buildings designed with the "GOLDBECK product" model, thus initiating a new development route.

Our order intake and revenues reached unprecedented levels in financial year 2022/23 exceeding one billion euros. A turning point.

Special thanks to our clients, our supply chain and to our teams also, who, as usual went all out to support an increase in our turnover by more than a third. Hats off!

However, 2023 begins with a slight drop in the order book: the squadron's ripple effect... but we have all the necessary ingredients for a new great year: our clients' satisfaction, our teams' drive and the pleasure to be part of GSE, sharing a common energy and assuming a responsibility beyond just numbers. It is as if we were entrusted with a mission and we like that!

Roland PAUL
Chairman



GSE has been a commercial property specialist for 47 years. Logistics platforms, factories, offices, shopping centers, labs, R&D centers... GSE supports its clients from beginning to end in their real estate projects.

GSE, a global contractor

GSE supports its clients throughout their real estate projects, from the search for land to the properties' design & build until the handover.

We provide real estate solutions adapted to each client's specific challenges, through the design & build of tailored properties. We deliver all the benefits of a single point of contact, enabling them to focus on their core business with complete peace of mind. As a global contractor, we make commitments on performance, quality, deadlines and prices. We also take a proactive CSR approach, both within our company and at our construction sites.

We aim for excellence in client satisfaction. Our pioneering R&D focuses on smart architecture, digital innovation, energy optimization, building connectivity, data analysis and more, foreshadowing the building of tomorrow. We are developing dedicated products for particular types of buildings, such as business parks, car parks, etc.


GSE, the European leader in commercial real estate, builds more than one million square meters every year in France, Europe and China, while remaining a company on a human scale with strong local roots for a close, hands-on relationship.

GSE, a GOLDBECK company

As our shareholder since 2019, GOLDBECK realizes trend-setting real estate projects in Europe. As a single source, the company sees buildings as products and offers its customers all the services from design to construction, integrating services during operation. With the claim "building excellence", the family-owned business realizes real estate economically, efficiently and sustainably with perfectly fitting functionality.

The range of services includes logistics and industrial halls, office and school buildings, multi-storey car parks and residential buildings. Construction in existing buildings and building-related services complete the spectrum offered by GOLDBECK.

In the 2022/2023 financial year, the company completed more than 500 projects with a total turnover of more than six billion euros. GOLDBECK currently employs more than 12,000 people at over 100 locations throughout Europe.

 [More about our shareholder](#)



Our people

611
employees

gender equality index **84/100**

20
nationalities

344
engineers

Our locations

15
in France

7
in Europe

27 years operating
in China

Our results

€1,023m in revenues

64
projects

78 % of eco-certified projects

97 % of employees recommend GSE

Our clients

83 % are satisfied including

60 % very satisfied &

94 % would contract us again

Our experience

47 years of experience

20 million m² of commercial real estate built

Creating today the building of TOMORROW

Innovate. Anticipate. Evolve. The Management Team is committed to ensuring that the men and women of GSE work together to constantly improve buildings' standards of efficiency, durability and environmental responsibility – to our clients' greatest satisfaction.

The Management Team

To further enhance the effectiveness of its governance, GSE has changed its organization. For optimal representativeness, its new enlarged Management Team now includes 3 new members from its European subsidiaries. This new organization is essential if the Group is to sustain the growth it has already achieved in recent years and extend its expansion even further.

The Supervisory Board

The Supervisory Board is GSE's steering body for all decisions relating to strategy, changes to the business model and fundamental financial matters. The Supervisory Board's members represent the shareholder, GOLDBECK. It meets at the request of GSE's Chairman or one of its members.

The members of GSE's Supervisory Board:

- Jan-Hendrik Goldbeck, Chairman,
- Dr. Benedikt Benjamin Krings,
- Hans Jörg Frieauff.



GSE: a committed and responsible company

Our values:

What unites the men and women of GSE are common values. Performance, Agility, Collaboration, Commitment and Transparency make up the PACT that binds all employees to GSE.

Our commitment to our clients

Client satisfaction is central to our strategy. Our internal surveys tell us that our clients' appreciation has increased over the years. In 2022, 83% of our clients said they were satisfied with our work while the share of « very satisfied » kept up at 60%, and 94% of our clients are ready to contract with us again.

Client satisfaction is our top priority. Keeping our promises, supporting the client from project definition to completion, ensuring that operations run smoothly before, during and after handover: GSE does its utmost to address the specificities of each project, whether it deals with the construction of a logistics building, the design of a factory or the creation of corporate offices. For GSE, client satisfaction means staying committed, creating trust, anticipating, listening, being transparent but also being agile and seeking performance at all times. Since 2020, our client satisfaction notebook, which is both an innovative process and a digital tool, has been deployed on each of our projects. It helps monitoring clients' expectations from signing to delivery with a special focus on the project's seven key stages.



[More about our clients' satisfaction](#)



Our commitment to sustainable development

GSE has built and developed its activities in line with social, ethical and environmental issues, through a sustainable development strategy applied at all levels of the group.

For its employees, GSE takes all necessary measures to guarantee wellbeing at work, safety and equal opportunities fighting against discrimination. Reducing its environmental impact is a daily priority: sustainable mobility, waste reduction, awareness of good practices, etc.

These commitments are also reflected in our building projects with a focus on 3 key themes: energy performance, low-carbon buildings and biodiversity protection, which may or may not be enhanced by certification or an environmental label.

GSE endeavours to:

- Ensuring ethics and compliance
- Implementing sustainability in our strategy
- Respecting human rights and diversity
- Ensuring safety and wellbeing
- Reducing consumption and our carbon footprint
- Preserving natural areas and biodiversity
- Reducing, reusing and recycling waste.

GSE's sustainable development roadmap specifies the objectives for 2025, in line with the 17 Sustainable Development Goals (SDGs) set by the United Nations.

Member of the United Nations Global Compact Network France since its creation in 2003, GSE adopted its 10 principles in the various aspects of the company's life, including:

- Human Rights
- International labor standards
- The environment
- Preventing corruption.



[More about our commitments to Sustainable Development](#)

[More about our eco-friendly buildings](#)



Hillwood
in Weiterstadt

Our commitment to our employees

GSE pays special attention to its team members' wellbeing. This priority means providing modern premises, leisure facilities, pleasant working conditions, as well as independence and responsibility on the job.

In addition, GSE considers training as an essential ingredient for success at all levels.

Diversity is an ongoing concern for GSE in terms of recruitment, training, remuneration and representation.

As regards to gender equality, the index for 2022, calculated in particular on the basis of pay levels, raises and promotions, stands at 84/100..

➔ [More about working at GSE](#)
➔ [More about training at GSE](#)

Our Quality & Safety commitment

At GSE, we scrutinize all the elements that could potentially affect people's safety or our buildings' reliability – down to the smallest detail. This is a constant priority throughout a project's design & build. GSE's Safety Handbook keeps being updated to ensure maximum safety for all stakeholders in a project.

Given the fight against illegal work on construction sites is a key focus, we have developed a staff reception system that checks the documentation of the natural and legal person, and includes a dedicated prevention activity to ensure machinery drivers are duly qualified.

GSE's own Quality Assurance Plan (QAP) has 50 control points, almost 100 on-site check sheets and focuses on a list of 250 standard technical details. It's a flexible tool that is constantly updated to adapt to new construction

techniques and specific clients' needs. We capitalize by integrating technical expertise, in collaboration with our insurers and technical control offices.

By establishing procedures and methods on all its worksites, GSE maintains rigorous control over projects. This enables us to achieve a very low risk rate and a high level of quality – to our clients' greatest satisfaction.

GSE provides all the relevant guidance to its teams during construction. We also measure all operation-related risks. Our QSM department has eight experts who regularly support and train project managers and engineers, visit worksites and carry out around 200 audits a year, in all countries where GSE operates.

➔ [More about our safety policy](#)

Our commitment to our partners

GSE's supply chain, strong and anchored in the long term, plays a key part of our success. This is why, through its purchasing department, GSE is committed to supporting and sustaining relations with over 1,000 partners, each specialist in their field of activity, who work on our sites. We strive to develop exchanges, improve processes and implement operating methods that take into account the companies' concerns to ensure the smooth running of the project.

We take pride in the quality of our partners, who play an essential part in our development. They are the very essence of our work's quality. More than a hundred of our partners have been working with GSE for over ten years. Knowledge of the counter-party, shared responsibility, trust and the continuous search for the improvement of services are the ingredients of our common approach.

Professional expertise is the foundation of our responsible purchasing practices. Commitment, loyalty and mutual benefit are the principles that guide GSE's relationship with its partners – and our success demonstrates the strength of all the links in the global chain that we represent.

➔ [More about our Sustainable Purchasing Charter](#)



GreenOak
in Campogagliano

Innovation: a constant goal

1, 2, 3 ...

We think of our work in terms of its ability to constantly reinvent real estate. Our innovation centre – called “Le Lab” – is always seeking new solutions for the buildings of tomorrow. The four major challenges that guide our choices throughout the projects are the energy and environmental transition, the digital transition in construction, the integration of digital technology in smart buildings, as well as productivity-enhancing comfort and user-friendliness.

Le Lab’s goal remains the pursuit of the far-reaching digital transformation that was initiated a few years ago thanks to Building Information Modeling (BIM). Its ten experts – BIM Managers, a BIM Specialist and four BIM Modelers – are supported by a network of qualified partners trained by GSE. The team now supports about half of GSE’s operations from start to finish. With BIM services now on offer and the use of new digital tools on site (including drones, 360° cameras and augmented reality), Le Lab adapts to the needs of its internal and external clients to provide pragmatic and innovative solutions.

In 2022, we delivered our first operational BIM model for the Parcolog project in Bully les Mines (North of France). The delivery of a digital twin of the building is available in the cloud, connected to the final implementation file and to the building management system (BMS), ready for operation.

In addition, the responsible use of our buildings is based on our EnerGiSE application deployed with all the BMSs delivered to our sites. It enables the monitoring of the building’s energy and water consumption. Our related datalake makes it possible to store and automate the reporting of EnerGiSE data uploads from all our projects on a single secure cloud.

Our open innovation partnerships enable us to identify major technical developments and to quickly detect new solutions that can improve or even transform our work. We share this industry monitoring with GOLDBECK, which has set up an internal platform to assess their start-up ecosystem.

Buildings' environmental performance: an imperative

At GSE, we take our responsibilities as an international global contractor in commercial real estate very seriously. Very early on, we aimed to make our buildings’ design and construction sustainable. Our Sustainable Building team has been up and running for more than ten years to meet our clients' expectations and the requirements generated by the current environmental crisis. In February 2023, an ecologist joined this team of 12 specialized engineers. Fully dedicated to their mission, they support our clients at every stage of their projects.

Among the many innovation highlights of the 2022/23 financial year, there are three that stand out:

- The delivery of our first building certified ZERO Carbon by ILFI (see below Vailog in Orbassano) with a skill improvement in using low carbon materials and especially concrete.
- And, as mentioned above, the delivery of our first operational BIM model on the Parcolog project in Bully les Mines: delivery of a digital twin of the building available in the cloud, connected to the final implementation file and to the BMS, ready for operation.
- The launch of the *SCIFAE* pilot project (Intelligent Charging System with High Energy Autonomy) at our head offices in Avignon: total self-consumption of our photovoltaic carport together with the implementation of smart vehicle charging stations.

➔ [More about our eco-friendly buildings](#)

➔ [More about our expertise in innovation](#)



Kubota
in Thionville

Our original expertise

In France or in Europe, GSE keeps implementing innovative solutions adapted to its clients' needs in logistics buildings – whether high-bay, automated, multi-storey, XXL or temperature controlled (positive and negative).

The context of increasingly restrictive regulations and the target of net zero land take set for 2050 by the French Climate and Resilience Act are new challenges for the logistics sector.

Activity in our prized line of business increased by almost 20% compared to last year.

Financial year 2022/23 recorded the delivery of 9 projects including:

- A 100,000 m² logistics platform in Bully les Mines for Parcolog,
- A 42,000 m² building in the seaport of Dunkirk,
- Or a 63,000 m² storage building for Goodman in Sury Le Comtal (near Saint-Etienne).

We can also mention the Alcavert project in La Verrière (Île-de-France) which is broken down into 10,000 m² of warehouse space, 2,500 m² of offices, and a three-storey car park that can accommodate 546 commercial vehicles.

For the third year running and thanks to 15 new orders, the logistics order book in France remained at a record level close to €300 million.

The new projects signed include:

- 5 logistics platforms for Aldi totaling 70,000 m² for over €100 million,
- A 18,000 m² multi-storey project exemplary on the environmental aspect for La Poste Immobilier in Lézennes (near Lille),
- A car park for Logisor in Aulnay-sous-Bois (near Paris),
- And a 38,000 m² project in Meaux for Panattoni, the first in France for the developer since 2015.

2022/23 REVENUES
€313m

2021/22
ORDER INTAKE
€297m

La Poste Immobilier, a real estate subsidiary of La Poste Groupe, has contracted GSE for the construction of an 18,000 m² urban logistics platform on a former industrial postal site in Lézennes, including 12,000 m² of urban logistics and 6,000 m² of business park. This project will be exemplary at an environmental level: reuse of materials from demolition, high-performance HQE® label (environmental certificate) and E+C equivalent RE 2020 (positive energy and low carbon) or BiodiverCity® label.



GSE France becomes GSE Régions



A NEW HIGH-PERFORMANCE, DIGITIZED PRODUCTION SITE, AT THE CUTTING EDGE OF TECHNOLOGY AND ENERGY-EFFICIENCY

Last July, GSE handed over the new **Forge 2022** production site to **Lisi Aerospace**. Eighteen months were needed to build this 23,000 m² modern industrial complex intended for the manufacture of forged aeronautical parts. The site includes 18,000 m² of industrial halls equipped to accommodate the specific machinery and installations related to the process, the highest part of which stands at 16 meters high, 2,000 m² of technical premises and 3,000 m² of offices and social premises.

As with all industrial projects of this type which are designed and built by GSE since 2016, our teams used the BIM technology (intelligent 3D modeling process) to design the building right from the early outset of the project. Lisi did the same for the installation of production equipment. Thus all stakeholders benefited from a digital twin prior to the real factory. Many features from these digital models will also make it easier the operation of the facilities.

It is also important to point out that particular attention was given to reduce the noise and vibration impact generated by forging machines.

The BU Regions designation indicates that it is aimed at the SME/mid-cap market at regional level as well as at tertiary and industrial operations, with a full range of offerings and products for projects from €3 to €50 million.

2022/23 REVENUES

€189m

Like logistics in France, GSE Regions activity is significantly up compared to the previous financial year, with a 15% increase in turnover and an order intake up by 30%.

With a range of services and products as rich as our beautiful French regions, GSE Regions continues to satisfy its clients.

2022/23 continued at a pace as sustained as last year with more than thirty operations delivered:

- The exceptional project of the new Forges Lisi plant in Chaumont (North of Dijon),
- An extension of more than 6,000 m² of storage for the supplier of spare parts Kramp in Poitiers,
- An exotic fruit ripening plant in Graveson in the South of France for Comexa,
- Another ripening plant for Fruidor in Saint André de Cubzac (near Bordeaux) with an annual capacity of 32 to 35,000 tonnes of bananas. This site benefits from the latest technological and energy-saving innovations, including Cold Energy's Ecotop system.
- An 18,000 m² storage building for King Jouet in Rives (near Grenoble).
- A 10 000 m² production plant a specialist in anti-vibration solutions, in Décize (near Nevers).

2022/23
ORDER INTAKE
€253m

Our pre-development department can be proud of the beautiful signature for the design (and soon the construction) of a multi-storey business park of more than 20,000 m² within the vast mixed Aerolians park in Tremblay-en-France (near Paris). The three multi-storey buildings grouped around a common courtyard will benefit from truck access on the ground floor, and an access ramp to the upper floor for light commercial vehicles.

Among the orders, up over 30%, and the industry share of which stands at 70%, we can mention the new 17,000 m² industrial building for Araymond Medical on the Centr'Alp2 business park in Voiron (near Grenoble), the new 14,000 m² production plant for intraocular implants for Zeiss in La Rochelle and the new 20,000 m² catalyst production site for McPhy in Belfort (East of France).

Our new business sector focused on multi-storey car parks continues to be structured to ensure its development. 2022/23 financial year saw the signing of the public contract for the construction of a 400-space multi-storey car park on the new Amperis site in Pessac (near Bordeaux). The Araymond project mentioned above also includes a 240-space multi-storey car park. As for the works at the Semmaris site with 445 spaces, two-thirds have been completed, with delivery scheduled for June 2023.

Also worth mentioning for public procurement is Sarthe Habitat, the leading player in social housing, who entrusted us with the design and construction of 5,000 m² of offices for its new headquarters. The first social housing player wants a building with optimal energy consumption, HQE® certification and OsmoZ label for well-being at work.



[More about our actions in French regions](#)

2022/23 ORDER INTAKE
IN EUROPE
(Excl. France)

€468m

International turnover reached €520.9 million, representing a strong growth of +68% which was already noted from last year's orders. Order intake continued to grow at a more moderate pace of 3.3% totaling €468 million. This turnover was generated almost entirely from European markets^(*). Activity in China has shifted to a new business model that provides EPCM and consulting and no longer contributes to the development of the turnkey business.

Therefore, development remains steady in Italy, with sustained activity in logistics as well as industry with the ongoing construction of the Vetropack plant. We also saw solid activity in Germany; in Spain and in Portugal with the building of a second major logistics platform and the start of its new pre-development business. GSE maintains its presence in Belgium and in Romania, while awaiting projects that will allow the activity to take off in the latter.

With strengthened local teams and pooled engineering capability at group level, GSE consolidates its position as a leader in the market for high-value-added and innovative buildings across all its European locations.

^(*) Excluding France

2022/23 REVENUES
IN EUROPE
(Excl. France)

€521m



GSE Italy, a constantly growing company

GSE's level of activity in Italy hit its highest point since the creation of the transalpine subsidiary in the late 1990s, doubling the turnover of the previous financial year.

2022/23
REVENUES
€259m

The projects handed over in financial year 2022/23 include:

- A 36,000 m² logistics platform for Vailog in Orbassano in the Piedmont. This project is the first building for GSE that is certified ZERO Carbon by the ILFI (International Living Future Institute).
- The second part of a 3-building hub for Scannell in Bologna. WHB is a "multi-tenant" warehouse, specifically designed to accommodate two tenants, with an area of 27,360 m² including 1,760 m² of office space and 59 loading docks. The entire hub is certified BREEAM Very Good.
- Two new buildings for Prologis in Bologna.
- A 52,000 m² "green" warehouse for Aquila Capital in Tortona in the Piedmont.
- And the expansion of Transmec Group head office in Campogalliano near Modena on behalf of the investor Bentall Greenoak. This complex is made of two buildings totaling almost 50,000 m² in surface. They are certified LEED Gold.

As to the Vetropack project in Boffalora Sopra Ticino near Milan, works are three quarters completed and delivery of the new glass factory is scheduled for December 2023.

As a reminder, this 180,000 m² modern factory will be equipped with two furnaces - with a total production capacity of 760 t/day powered by a new 16 MWp substation - as well as offices and warehouses at the cutting edge of technology, all in line with the highest standards of urban, social and environmental sustainability.

In Italy, GSE continues to pursue its commercial strategy going with its subsidiary Confluence that executes the pre-development of real estate operations, from the search for land to obtaining building permits. At the same time, it is also focussing its diversification objectives towards car parks and public procurement.

2022/23 ORDER INTAKE
€192m



LIVING
BUILDING
CHALLENGE™



Low-carbon concrete, rainwater collection, or even a 1 MWp photovoltaic system are some of the many elements that make the Vailog project in Orbassano a virtuous example in terms both of sustainability and innovation to better serve the construction sector.

In addition to the commitment related to carbon reduction and offsetting, great care was also paid to landscape integration. 7 hectares of green areas were redeveloped, and more than 500 new trees were planted, chosen from native species.

Order intake remains high inspite of a slight decrease (-10%) due to the geopolitical context.

The new orders include 3 logistics platforms:

- 1 for Carlyle Real Estate in Mesero near Milan (53,000 m²),
- 1 for Prologis in Piacenza, South of Milan, (43,000 m²),
- 1 for P3 in Altedo near Bologna (38,000 m²).



[More about GSE Italia](#)

In Germany, GSE recorded an exceptional order intake with an almost 90% increase compared to previous financial year.

2022/23
ORDER INTAKE

€138m

Scannell, another loyal repeat client, with whom the company has been working for several years in Europe, contracted GSE for the building of a 51,000 m² platform in Contwig, east of Sarrebrücken.

Last year was successful in terms of deliveries since in addition to the previously-mentioned project for Engler, three other projects were delivered in the 2022/23 financial year: two buildings for Hillwood, one in Weiterstadt and one in Duisburg, as well as the Four Parx project in Hamburg. This last project was started in 2019 and is particularly noteworthy since this first multi-storey building stands unprecedented in Germany.

Our German subsidiary maintains solid partnerships with its clients in the logistics sector, and is stepping up its activities in the industrial sector.

One of the highlights of the year was the continuation of our trusted partnership with the developer Engler.

Indeed, in 2022/23 GSE delivered an over 90,000 m² logistics complex located in the largest intermunicipal commercial and industrial park in Lower Saxony, the Niedersachsenpark in Rieste, and signed two new projects, one of 10,000 m² in Mettmann near Düsseldorf and one of 50,000 m² in Sehnde-Ost, South of Hanover.

A third contract is due to be signed during the next financial year for the construction of a new 32,000 m² building in Gremersdorf, North of Hamburg.



2022/23 REVENUES

€119m

 [More about GSE Deutschland](#)



Four Parx Hamburg : the first multi-storey building in Germany !
Ideally located in the industrial zone of Hamburg-Wilhelmsburg, the 2-storey building accommodates trucks up to 45 tons which also will work in winter due to its heated ramps. While reducing its ground coverage, and thus the costs it generates, the building offers its 123,000 m² equipped with cutting-edge technology to logistics, trade and production. The construction works were achieved in compliance with the DGNB Gold Standard (German Sustainable Building Council).

In Spain and Portugal, GSE keeps strengthening its activity and order intake shows a twofold increase compared to last year.

GSE well established in the Iberian Peninsula

2022/23 REVENUES
€38m

2022/23 ORDER INTAKE
€85m

Some of the year's great handovers include:

- The logistics complex of Rainha Green Logistics Park, located in Azambuja near Lisbon, for Aquila Capital (see opposite).
- A 45,000 m² logistics warehouse for the Iberian investor Merlin Properties located in Cabanillas del Campo, North-East of Madrid. The building is certified LEED Gold, in terms of sustainable development.

In the 2022/23 financial year, our partnership with GLP continued to prosper, we:

- Delivered G-Park Santa Perpetua, a modern logistics warehouse featuring more than 14,000 m² of rental area near Barcelona. The complex, certified BREEAM Very Good, incorporates photovoltaic panels for energy production, thermal panels for hot water production, native vegetation and a lighting system with natural light sensors.
- Delivered G-Park Pinto, a 19,000 m² warehouse, South of Madrid. It is designed to allow an optimized storage area. It also is certified BREEAM Very Good.
- Signed G-Park Masquefa, near Barcelona, a 29,000 m² logistics site with the same innovation and sustainability features. Along with GLP's high-quality construction specifications and ESG (Environmental, Social and Governance) initiatives, the vineyards surrounding the site will be preserved.

Another great landmark project we signed for GSE in Portugal was the project of a logistics platform for Montepino in Castanheira do Ribatejo, 40 km from Lisbon. The 105,500 m² warehouse will be Leroy Merlin's distribution center for the Portuguese market.

Thanks to Confluence Iberia and its pre-development activity, GSE signed the construction of a new 40,000 m² logistics warehouse for Scannell Properties in the industrial zone of Constanti, North of Tarragona. The building will have 45 loading docks. With LED lighting and 5% natural light, the project will be certified BREEAM Very Good.

The two buildings of the **Rainha Green Logistics Park**, located in Azambuja, are the first investment in Portugal for the Aquila Capital group. The complex is 40 km north of Lisbon and covers a total area of 178,000 m². Both buildings, certified BREEAM Excellent, meet the most demanding efficiency and sustainability features. During the construction phase, 132,000 m³ of excavated soil was reused for earthworks and eco-friendly certified building materials were used. The site includes a water collection basin to enhance rainwater natural drainage, charging stations for electrical vehicles, a bicycle park and rooftop photovoltaic panels for self-consumption. In addition, the complex houses a cold storage facility on about 8,000 m² and designed to minimize the thermal costs and improve its energy efficiency.



 [More about GSE Spain](#)

2022/23 REVENUES
€55m

2022/23 ORDER INTAKE
€41m

2022/23 REVENUES
€0.8m

2022/23 ORDER INTAKE
€2.2m

In Romania, GSE delivered a second 37,000 m² to Altex at its new logistics center located in Dragomiresti Vale west of Bucharest. The logistics platform is designed to accommodate any type of products, from electronics to IT and accessories. This facility has 60 entry points to streamline operations.

In addition, Altex entrusted GSE with the building of a 50-space truck parking lot and a 95-space car park, both should be handed over in December 2023.

We are currently working on reinforcing our Romanian salesforce and we expect this to deliver results for 2023/24.

 [More about GSE Romania](#)



Last October, GSE China delivered a new industrial site to Kamax, which is located in Jintan, Changzhou County, 200 km northwest Shanghai. Kamax is the global technology leader in high-strength fasteners and cold-formed complex parts for the mobility sector. This new site covers a total area of about 26,500 m² and includes production areas, technical facilities, auxiliary buildings and offices.

The 126,000 m² project for PRD in Shanghai is 90% completed and scheduled to be delivered in summer 2023. Based less than one hour from downtown Shanghai, the complex is ideally located for e-commerce business.

Its 20 cells are distributed over two buildings and three levels. A large raised area for trucks ensures smooth operations.

Wide mezzanines offer different possible uses: handling areas for the preparation of e-commerce orders, offices or showrooms.

The site is designed to be compliant with the highest quality and sustainability standards required by the PRD group.

Last year, GSE started a 46,000 m² multi-storey logistics building for DSV at the Baibu site (Shaoxing), south of Shanghai. The project is expected to be handed over in July 2024.

2022/23 REVENUES
€35m

2022/23 ORDER INTAKE
€3.5m

Outlook for 2023/24

After having reached the €1 billion milestone which made 2022/23 a record year, the next financial year is expected to level off.

Higher interest rates and the increasing return rates expected by real estate investors are likely to call into question or postpone the launch of new projects. This will no doubt slow down the revenue growth. The new financial year starts with a tighter order book (€868m versus €901m at the start of previous year).

However demand in logistics, services and industrial facilities is noticeable in GSE's significant sales "pipeline", which may be promising in the medium term.

The trusting relationships GSE has established with its stakeholders, suppliers, subcontractors and clients has been strengthened during the crises of the past two years. This is essential to develop the activity of a global contractor. Our client satisfaction index (83% are satisfied including 60% very satisfied) is an asset for the future development of GSE as well as the support of GOLDBECK, our shareholder, to further commercial and operational synergies. Our success will also depend on innovation to ensure an impactful environmental and digital transition.

Pre-development activity, which turned out essential for our Italian subsidiary growth, will be continued in Italy and developed in Spain, Portugal and France under the Confluence brand, now operating as a separate Business Unit.

The expansion of GSE's offer in the fields of industry, multi-storey car parks, multi-storey logistics buildings, renovation and rehabilitation of brownfield sites is also an expected growth driver for the next years.



GSE Head office
in Avignon





FINANCIAL STATEMENTS

GreenOak Susa Torino
in Rivoli



CONSOLIDATED FINANCIAL STATEMENTS

Balance sheet

ASSETS

In thousands of €	Mar 31, 2023		Mar 31, 2022	
	Gross	Deprec/Prov	Net	Net
Intangible fixed assets	154,016	76,318	77,697	77,799
<i>Incl. goodwill</i>	<i>148,166</i>	<i>71,183</i>	<i>76,983</i>	<i>76,983</i>
Tangible fixed assets	24,988	10,986	14,002	13,163
Financial assets	91,435		91,435	754
Fixed assets	270,439	87,304	183,135	91,716
Inventories and work in progress	3,420		3,420	2,990
Accounts receivable	187,930	2,314	185,616	151,045
Other receivables	40,425	2,991	37,434	36,221
Cash and cash equivalent	217,073	6,482	210,591	239,002
Current assets	448,848	11,787	437,062	429,259
Total assets	719,287	99,091	620,196	520,975

SHAREHOLDERS' EQUITY AND LIABILITIES

In thousands of €	Mar 31, 2023	Mar 31, 2022
Capital	88,624	88,624
Share premium	6	6
Legal reserves	2,874	2,223
Retained earnings and other reserves	10,087	-6,998
Net income - group share	21,747	18,146
Group shareholders' equity	123,337	102,001
Minority interest	1,284	939
Consolidated shareholders' equity	124,621	102,939
Provisions for liabilities and charges	40,892	35,484
Provisions	40,892	35,484
Accounts payable	257,851	215,961
Tax and social security liabilities	54,219	46,895
Other liabilities	1,300	157
Deferred income	141,313	119,538
Other liabilities and deferred income	454,683	382,551
Total shareholders' equity and liabilities	620,196	520,975

Income statement

	2022/23		2021/22	
	€k	% Rev.	€k	% Rev.
Revenues	1,022,645		743,329	
Purchases & Subcontracting costs	-902,162		-642,583	
Gross margin	120,483	11.8%	100,745	13.6%
Labour costs	-64,384	6.3%	-54,977	7.4%
Other operating expenses	-22,130	2.2%	-17,564	2.4%
EBITDA	33,970	3.3%	28,205	3.8%
Amortization / depreciation of fixed assets	-2,032		-1,680	
Operating profit before amortization and impairment of goodwill	31,938	3.1%	26,525	3.6%
Amortization and impairment of goodwill				
Operating profit after amortization and impairment of goodwill	31,938	3.1%	26,525	3.6%
Financial result	-1,029		-2,420	
Extraordinary result				
Corporate income tax and deferred tax	-8,816		-6,111	
Net income of consolidated companies	22,093	2.2%	17,994	2.4%
Minority interests	-345		152	
Net income - Group share	21,747		18,146	
Income per share	0.25		0.20	
Diluted income per share	0.25		0.20	

Significant events

The Russian-Ukrainian war has had no significant effect on the group's activity and results, apart from the inflationary effects on its production costs.

General principles

The group's financial statements are prepared in accordance with the provisions of Regulation 2020-01 issued by the French Accounting Regulations Committee.

1-CONSOLIDATION PRINCIPLES

All companies which are directly or indirectly under the exclusive control of GSE are fully consolidated.

Jointly controlled companies are proportionally consolidated.

The financial statements of the subsidiaries with a functional currency different from Euro are translated into Euros as follows:

- assets and liabilities are translated at the closing rates on March 31, 2023,
- shareholders' equity is translated at historical exchange rates,
- income statement items are translated at the average exchange rate for the period they are recognized.

Translation adjustments stemming from the application of the various rates are recognized as an equity component.

2-VALUATION METHODS

Long-term contracts

Long-term contracts, which are defined as contracts covering a period of at least two financial years, are accounted according to the stage of completion method.

Revenues and profit margin are recognized as and when the contract costs are incurred.

Expected losses on contracts in progress are fully recognized as soon as they are identified, a loss-at-completion provision is recorded.

The company reviews, and where necessary revises, for each contract, the estimates of revenue and costs as the contract progresses.

General principles

Therefore:

- Works in progress on long-term contracts are valued at production costs plus the accrued profit margin by reference to the stage of completion.
On the balance sheet, each construction contract is presented either as a receivable or a liability. If costs incurred plus recognized margin exceed progress billings, the excess is presented as "Accounts receivable".
If progress billings exceed cost incurred plus recognized margin, the excess is presented as "Deferred income".
Expected losses upon completion are recorded as "Provision for liabilities" in the balance sheet.
- All remaining costs not yet recorded at construction delivery date are booked in "Invoices to be received", "Other provision for charges" and "Provision for time to be spent" (provision for charges).
- Contract costs that relate to a construction contract for which the signature is quite certain are recognized as an asset. Advances received that relate to this contract are recorded as "Deferred income".

Financial investments

Unrealized losses are recorded as provision.

Unrealized foreign exchange gains and losses

Unrealized exchange differences on receivables and liabilities denominated in foreign currencies are recognized in the balance sheet. Unrealized losses are recognized as asset and unrealized gains are recognized as liability. Provisions for foreign exchange losses are recorded in case of unrealized losses.

Goodwill

First consolidation differences represent the difference between the acquisition cost of a company's securities and the holding company's share of its equity when a company enters the consolidation.

Equity is the capital that arises after reclassifications and restatements have been made to comply with the presentation and valuation rules used for the consolidated set.

Variances shall be analyzed and, where appropriate, allocated to the corresponding asset items. The unallocated residual difference shall be recorded as goodwill. NCA Regulation No 2015-07 ended, for financial years beginning as of January 1, 2016, the mandatory amortization of goodwill in the consolidated accounts drawn up in French rules. Under the new rules, goodwill is no longer amortized but is subject to impairment testing at each annual closing (based on the forecasted cash flow method). Where the net book value exceeds the recoverable amount of goodwill, an impairment is recognized for the difference.

Intangible fixed assets

Intangible fixed assets correspond to software recognized at their acquisition cost and amortized on a linear basis over 3 years.

Tangible fixed assets

Tangible fixed assets are measured at their acquisition cost.

Depreciation is calculated on a linear basis over the following estimated useful lives:

- Buildings: 15 to 40 years
using the component depreciation method
- Fixtures and fittings: 10 years
- Office furniture: 10 years
- Equipment: 5 years
- Office equipment: 3 to 5 years
- Vehicles: 4 years

Excess depreciation recorded in statutory accounts to secure a tax advantage is written-off in consolidated accounts.

Leasing

Assets financed by a lease that transfers the risks and rewards of ownership of the asset to the group are recorded as capital assets with a financial debt in counterpart. An asset falls into this category if the lease meets only one of the following conditions:

- The contract provides for the transfer of ownership at the end of the term of the option lease and the conditions for exercising the option are such that the transfer of ownership appears highly likely at the date of conclusion of the lease.
- The duration of the contract covers the main part of the life of the asset under the conditions of use of the lessee.
- The present value of the sum of the minimum contract fees approximates the fair value of the asset at the date of the lease.

General principles

Loans and other financial assets

They are stated at cost. When there is objective evidence of impairment, the difference between the carrying amount and the estimated recoverable amount is recorded as provision.

Inventories

Inventories are stated at their acquisition cost. An impairment loss is recognized if the market value at the year end is lower than its acquisition cost.

Receivables

Trade receivables are recognized at nominal value.

An allowance for doubtful debts is made when there is objective evidence that a trade receivable is impaired.

Prepaid expenses

Expenses paid for subsequent services are registered as prepaid expenses.

Deferred tax

Deferred tax on all timing differences between the carrying value and the tax value of assets and liabilities are recognized on the consolidated balance sheet. Under the liability method, deferred tax is calculated by applying the latest official tax rate at the closing date and applicable to the period in which the timing differences are reversed. Deferred tax assets on timing differences, on losses and tax credits carried forward are not recognized when their recovery is uncertain.

Retirement benefits

A provision is recorded for retirement benefits. The company implemented Recommendation No. 2013-02 of November 7, 2013, as amended on November 5, 2021, on the rules for the valuation and accounting of pension commitments and similar benefits.

Provision calculation is based on length of service, life expectancy and employee turnover considering revaluation and actuarial assumptions (3.62% without inflation), a salary increase rate of 3.5% per year and the hypothesis of a retirement age at 67.

Turnover rate is based only on departure for resignation reason.

No turnover rate is applied for employees above the age of 49.

Comparability of the financial statements

1-CHANGE OF METHOD

The accounting rules and methods are the same as those applied in the consolidated financial statements for the financial year ended March 31, 2022.

2-PERIMETER VARIATION

During the 2022/23 financial year:

- VEMARQ was merged into GSE on December 23, 2022. This operation took effect retroactively as of April 1, 2022, and resulted in a merger result null. This merger has no impact on the consolidated financial statements.
- EMMA 227 was merged into GSE on December 23, 2022. This operation took effect retroactively as of May 1, 2022, and resulted in a merger deficit of €7K, recorded in the merger deficit category in the balance sheet (statutory financial statements).

Consolidation perimeter

	Country of activity	Integration method	% of interest	% of control
GSE SAS (1)	France	Parent		
GSE Auvergne SAS (2)	France	Proportional	50%	50%
Confluence SAS (3)	France	Global	100%	100%
GSE Belgique SPRL	Belgium	Global	100%	100%
GSE Deustchland GmbH	Germany	Global	100%	100%
GSE Italia SRL	Italy	Global	100%	100%
Confluence SRL	Italy	Global	65%	65%
GSE Inmueble Llaves en Mano SL	Spain	Global	100%	100%
Confluence Iberia SL	Spain	Global	100%	100%
UK GSE Ltd	United Kingdom	Global	100%	100%
GSE Hungaria Kft	Hungaria	Global	100%	100%
GSE China Ltd	China	Global	100%	100%
GSE Romania SRL	Romania	Global	100%	100%
GSEM SARL	Morocco	Global	100%	100%
GSEPT Unipessoal LDA	Portugal	Global	100%	100%

(1) GSE SAS :	Parc d'activités de l'Aéroport 310 allée de la Chartreuse 84005 Avignon SIREN : 488862368	(3) Confluence SAS :	Parc d'activités de l'Aéroport 310 allée de la Chartreuse 84005 Avignon SIREN : 523879682
(2) GSE Auvergne SAS :	21 rue Newton 63000 Clermont-Ferrand SIREN : 839533783		

Notes on the balance sheet and the income statement
(in thousands of euro)

1-INTANGIBLE ASSETS WITH RECLASSIFICATION

	Mar 31, 2023	Increase	Decrease	Reclass.	Correct°	Translation adjust.	Mar 31, 2022
Goodwill	148,166						148,166
Business goodwill	2,188						2,188
Software licenses	3,630	272	1	76		-9	3,292
Intangible fixed assets in progress	32	10		-76	-67		165
Gross value	154,015	282	1	0	-67	-9	153,811
Amortization of goodwill	71,183						71,183
Amort. of business goodwill	2,188						2,188
Amort. of software licenses	2,948	316				-9	2,641
Amortization	76,318	316	0	0	0	-9	76,012
Net value	77,697						77,799

The increase in the « Software licenses » category corresponds mainly to:

- the EnerGiSE Datawarehouse project for €86K,
- VENA software for €40K (budgeting and reporting),
- the redesign of the internet/intranet site for €52K,
- the development of the recruitment form for €44K,
- Oracle migration for €31K.

The decrease in the “Software licenses” category corresponds to the disposal of obsolete software.

Goodwill

	Mar 31, 2023	Increase	Decrease	Mar 31, 2022
GSE goodwill	127,344			127,344
GSE Régions goodwill	14,259			14,259
GSE Ingénierie goodwill	5,630			5,630
GAM International goodwill	445			445
GSE Management goodwill	375			375
GAS goodwill	114			114
Gross value	148,166	0	0	148,166
Depreciation of GSE goodwill	61,664			61,664
Depreciation of GSE Régions goodwill	6,880			6,880
Depreciation of GSE Ingénierie goodwill	2,528			2,528
Depreciation of GAM International goodwill	111			111
Depreciation	71,183	0	0	71,183
Net value	76,983			76,983

Notes on the balance sheet and the income statement
(in thousands of euro)

An impairment test was carried out according to the discounted cash flow method (2023/2024 budget and 3-year business plan).

There is no depreciation to recognize on March 31, 2023.

2-TANGIBLE FIXED ASSETS

	Mar 31, 2023	Increase	Decrease	Reclass.	Merger	Translation adjust.	Mar 31, 2022
Land	588						588
Land improvements	802	82		265			456
Buildings	13,831	27		-58			13,861
Technical facilities	653	69	1		437		147
Other tangible fixed assets	8,758	1,675	241	58		-12	7,278
Tangible fixed assets in progress	357	304		-265			317
Gross value	24,988	2,157	241	0	437	-12	22,647
Deprec. of improvements	46	23					23
Deprec. of buildings	6,141	663					5,478
Deprec. of technical facilities	161	49	-1		22		90
Deprec. of other tangible fixed assets	4,639	976	218			-12	3,892
Depreciation	10,986	1,711	217	0	22	-12	9,484
Net value	14,002	446	24	0	415	0	13,163

The increase in the “Land improvements” item mainly corresponds to the landscaping of Avignon headquarters, €347K.

The increase in the “Technical facilities” is due to the purchase of URBA 227 followed by the merger of this company (renamed EMMA 227) into GSE. The acquired company held on its balance sheet a photovoltaic power plant installed on the car park of the headquarters in Avignon.

The increase in the “Other tangible fixed assets” category mainly corresponds to various operations such as:

- the renewal of IT equipment for €385K,
- the refurbishment of the Pérols branch for €335K,
- the continued acquisition of facilities for site containers for €232K,
- the works and fittings of the headquarters in Avignon for €157K,
- The fittings of other agencies for €84K.

The decrease in the “Other tangible fixed assets” category corresponds mainly to disposals following the renewal of office furniture.

3-FINANCIAL ASSETS

	Mar 31, 2023	Increase	Decrease	Merger	Translation adjust.	Mar 31, 2022
Share	100					100
Other financial assets	767	206	84	-3	-5	654
Shareholder loans	90,569	90,569				0
Net value	91,435	90,774	84	-3	-5	754

The “Share” item corresponds to the shares in the company Foncière GSE. This company was founded in 2021 and is not consolidated (no activity as of March 31, 2023).

GSE has granted two loans to its shareholder GOLDBECK:

- A €40,000,000 loan, paid on May 9, 2022, for a term of 2 years and bearing interest at 1.5%,
- A €50,000,000 loan, €30,000,000 paid on March 21, 2023 and €20,000,000 paid on March 29, 2023, for a 1-year term, bearing interest at 25 basis points below the 3-month EURIBOR.

4-INVENTORIES AND WORK IN PROGRESS

	Mar 31, 2023	Mar 31, 2022
Stock of raw materials	133	
Work in progress on long-term contracts	654	357
Inventories : land under development	2,633	2,633
Net value	3,420	2,990

5-ACCOUNTS RECEIVABLE

	Mar 31, 2023	Mar 31, 2022
Accounts receivable	151,682	136,644
Provision for bad debts	-2,314	-6,390
Invoices to be issued	36,248	20,791
Net value	185,616	151,045

Notes on the balance sheet and the income statement
(in thousands of euro)

6-OTHER RECEIVABLES

	Mar 31, 2023	Mar 31, 2022
Supplier receivables	30	
Staff-related receivables	94	72
Taxes and VAT	22,138	21,745
Provision for impairment of VAT receivables	-855	-880
Advances and sundry debtors	5,220	5,298
Provision for impairment of sundry debtors	-2,135	-2,307
Prepaid expenses	1,673	1,921
Translation difference - asset	16	31
Deferred tax asset	11,255	10,340
Net value	37,434	36,221

The provision for impairment of VAT receivables corresponds to a VAT credit held by GSEM (Moroccan entity).

The category “Advances and sundry debtors” includes mainly an advance of €1,918K to the company Sprink’R, which is 100% depreciated, and advances for local taxes for building permits submitted by GSE for €1,201K.

The category “Taxes and VAT” includes:

- deductible latent VAT for €17,866K,
- VAT credit for €2,599K,
- corporate income tax credit for €1,660K,
- other tax receivables excluding income tax and VAT for €12K.

Other receivables have a term of less than one year.

Deferred tax assets are made up of:

	Mar 31, 2023	Mar 31, 2022
Deferred tax on losses carried forward	7,131	7,033
Temporary differences	4,125	3,307
Total	11,255	10,340

7-CASH AND CASH EQUIVALENT

	Mar 31, 2023	Mar 31, 2022
Investments securities	182,091	183,320
Provision for impairment of investments securities	-6,482	-2,858
Interest-bearing bank accounts	15,970	25,004
Ordinary bank accounts	19,011	33,537
Total	210,591	239,002

The book value of the various components is equal to the liquidation value.

A provision for impairment has been recorded for an amount of €6,482K, reflecting an unrealized loss in value.

The part of cash and cash equivalent in non-euro zone currencies is €5,982K and is broken down as follows:

	Mar 31, 2023	Mar 31, 2022
Yuan	4,364	10,684
Romanian Lei	810	382
Hungarian Forint	388	200
Pound sterling	373	
Moroccan Dirham	47	385
Swiss Franc	1	1
US Dollar	0	69
Total	5,982	11,721

Notes on the balance sheet and the income statement

(in thousands of euro)

8-EQUITY

Group shareholders' equity

	Capital	Premiums linked to capital	Other reserves and retained earnings	Result	Total
Equity as of Mar 31,2022	88,624	6	-4,774	18,146	102,001
Movements on the equity					0
Allocation of the 2021/22 result			18,146	-18,146	0
2022/23 result				21,747	21,747
Other movements incl. translation adjust. of foreign currencies			-411		-411
Equity as of Mar 31,2023	88,624	6	12,960	21,747	123,337

As of March 31, 2023, the share capital was made up of 88,623,548 shares with a nominal value of €1.

The capital is distributed in the following way:

Mar 31, 2023		
	Number of shares	% holding
GOLDBECK Europe GmbH	86,520,366	97.63%
Individual shareholders	2,103,182	2.37%
Total	88,623,548	100%

The group share of net income is €0.25 per share.

Minority interests in equity

	Minority interests / reserves and result
Minority interests as of Mar 31,2022	939
2022/23 Result	345
Minority interests as of Mar 31,2023	1,284

9-PROVISIONS FOR RISKS AND CHARGES

	Mar 31, 2023	Allowances	Reversals	Translation adjust.	Mar 31, 2022
Provision for foreign exchange losses	16	16	31		31
Provision for losses on long-term contracts	2,587	2,587	541		541
Provision for disputes and litigation	8,062	676	4,007	-1	11,394
Provision for risks	10,664	3,279	4,580	-1	11,967
Provision for time remaining to be spent on completed contracts	4,247	4,248	4,310	-1	4,310
Provision for pensions and retirement	4,685	30	533		5,188
Other provisions for charges	21,296	21,296	14,019	-1	14,019
Provision for charges	30,227	25,574	18,862	-2	23,517
Total	40,892	28,853	23,441	-3	35,484

The allowances for provision for disputes and litigation are composed of:

- allowances for deductibles and insurance retention of €229K linked to claims filed but not yet closed,
- allowances for provision related to projects for €308K,
- allowances for various provisions for €139K.

The reversals of provision for disputes and litigation are composed of:

- reversals of provision for deductibles and insurance retention of €108K linked to closed claims,
- reversals of provision related to projects of €3,623K,
- reversals of various provisions for €177K.

The allowances and reversals to other provisions for charges correspond to provisions for various charges related to projects.

Notes on the balance sheet and the income statement
(in thousands of euro)

10-OFF BALANCE SHEET COMMITMENTS

	Mar 31, 2023	Mar 31, 2022
Bonds and guarantees given	254,581	147,773
Financial guarantees of completion given	70,930	120,278
Total commitments given	325,511	268,051
Bonds and guarantees received	65,839	45,473
Total commitments received	65,839	45,473

The bonds and guarantees given correspond to the commitment of the group’s companies to the financial institutions that have stood surety for these companies:

- for the benefit of clients as performance bonds for work contracts and in exchange for guarantee withholding,
- for the benefit of subcontractors for the payment of sums due in the context of their works contracts.

The amount of bonds and guarantees given is a percentage of price of the contract to which they are attached.

The amount of financial guarantees of completion corresponds to the price including VAT or the cost of sales price including VAT of the contract of which the completion guarantees is the accessory, at the guarantee issuance date and is no subject to any amortization nor any weighting in relation to the works performed.

The financial completion guarantees (“GFA”, specific French guarantee) in force on March 31, 2023, break down as follows:

Month of issuance	Amount of guarantee issued	% of completion by Mar 31, 2023
December 2021 - project 1	10,518	83%
December2021 - project 2	3,072	91%
October 2022	29,172	69%
December 2022	14,793	66%
January 2023	6,696	25%
February 2023	6,679	15%
Total	70,930	

The bonds and guarantees received correspond to the commitments received from financial organizations that acted as guarantors for subcontractors to guarantee their commitment during the year of the perfect completion guarantee.

11-REVENUES

Revenues are broken down as follows:

	Mar 31, 2023	Mar 31, 2022
General Contractor revenues	1,006,664	719,488
Variation of stock on long-term contracts	297	-1,922
Project management revenues		41
Revenues from other services	14,161	25,072
Other income	1,523	649
Total	1,022,645	743,329

12-ALLOWANCES AND REVERSALS

	Mar 31, 2023	Mar 31, 2022
Net change in provisions on projects	-6,141	1,692
Net change in depreciation	-2,032	-1,680
Total	-8,173	13

(-) Net allowance (+) Net reversal

Net variation of provisions on projects includes a €62K net reversal for remaining time to be spent on delivered projects, a €2,081K net allowance for losses upon completion and a €4,122K net allowance for risks and charges on projects.

Net change in depreciation consists of a €104K of property leasing depreciation and a €1,928K of other depreciation on intangible and tangible fixed assets.

EBITDA includes changes in provisions related to projects and trade receivables.

Notes on the balance sheet and the income statement
(in thousands of euro)

13-FINANCIAL RESULT

	Mar 31, 2023	Mar 31, 2022
Net result of financial investments	2,530	485
Impairment of investments securities	-3,623	-2,866
Interests on late payment received following dispute resolution	96	
Foreign exchange gains and losses	-17	-23
Merger loss	-7	
Other	-7	-17
Total	-1,029	-2,420

14-EXTRAORDINARY RESULT

The extraordinary result is null for the financial year.

15-TAX ON PROFITS

Tax consolidation agreement

GSE opted for the tax consolidation system for a five-year period as of May 12, 2006, tacitly renewable.

The amendment to the tax consolidation agreement signed on December 30, 2013, provides that as of the financial year opened on January 1, 2013, the beneficiary subsidiaries pay to the parent company the amount that they would have had to pay to the Tax Authorities if they were not members of the Integrated Group and the tax savings made by the group are kept by the parent company.

The tax integrated group recorded a benefit of €7,337K for the fiscal year 2022/23 before allocation of previous tax losses.

Losses that can be carried forward as of March 31, 2023, was €14,871K.

The tax due by the other group members without the tax integration is zero.

Analysis of the tax expense

	Mar 31, 2023	Mar 31, 2022
Tax due	-9,836	4,418
Deferred tax	1,020	1,693
Total	-8,816	6,111

Differences between the corporate tax recorded and the theoretical tax obtained by applying the French tax rate are as followed:

	Mar 31, 2023	Mar 31, 2022
Earnings before taxes	30,563	24,257
Tax rate applicable to the parent company	25.0%	27.5%
Theoretical tax	7,641	6,671
Tax recorded	8,816	6,111
Total	1,175	-560
Tax rate differences on foreign earnings	1,002	-91
Permanent differences	399	175
Tax credits	-467	-560
Tax reduction in Italie (Covid measure)		-125
Other	242	41
Total	1,175	-560

Sector information

1-REVENUES

By geographical zone

	Mar 31, 2023		Mar 31, 2022	
France	501,743	49.1%	432,652	58.2%
Italy	258,571	25.3%	125,561	16.9%
Germany	118,239	11.6%	96,529	13.0%
Spain - Portugal	92,127	9.0%	47,260	6.4%
Asia	34,850	3.4%	34,546	4.6%
Eastern & Northern Europe	17,114	1.7%	6,782	0.9%
Total	1,022,645	100%	743,329	100%

By line of business

	Mar 31, 2023		Mar 31, 2022	
Logistics	769,814	75.3%	581,674	78.3%
Industry	172,527	16.9%	100,334	13.5%
Service Sector	69,156	6.8%	31,164	4.2%
Pre-development	4,212	0.4%	7,047	0.9%
Retail	3,721	0.4%	16,486	2.2%
Car parks	3,215	0.3%	6,624	0.9%
Total	1,022,645	100%	743,329	100%

2-OPERATING RESULT BY GEOGRAPHICAL ZONE

	Mar 31, 2023	Mar 31, 2022
Italy	17,410	7,644
France	8,165	12,137
Germany	7,029	3,402
Eastern & Norther Europe	142	1,032
North Africa	-21	-11
Asia	-366	263
Spain - Portugal	-420	2,059
Total	31,938	26,525

3-STAFF BY GEOGRAPHICAL ZONE

	Mar 31, 2023	Mar 31, 2022
France	409	371
Italy	74	52
Germany	42	33
Spain & Portugal	42	28
Asia	38	42
Eastern & Northern Europe	6	5
Total	611	531

Other information

1-CONSOLIDATION

GSE group’s accounts are consolidated into GOLDBECK group’s annual accounts (Ummelner Straße 4-6, 33649 Bielefeld, Germany).

2-TAX AUDIT

GSE company is subject to a tax audit for the financial years ended December 31, 2019, and March 31, 2021, and has received a proposed reassessment from the tax authorities which the company has contested. This proposed reassessment had no impact on the company's financial statements for the year ended March 31, 2023.

3-STAFF

The group’s staff was 611 people as of March 31, 2023, compared to 531 people present at the end of March 2022.

4-FIXED ASSETSS

Most of the group’s fixed assets are located in France.

5-AUDITORS’ FEES

As of March 31, 2023, the fees of the French auditors were €262.5K for legal verification of the financial statements.

6-DIRECTORS

For reasons of confidentiality, the amount of the remuneration paid to the members of the management bodies is not announced.

No advances or loans were granted to them.

7-OTHER INFORMATION

The countries in which the group operates do not provide specific comments on country risks.

8-SUBSEQUENT EVENTS

There are no subsequent events that have a significant financial impact on the consolidated financial statements as of March 31, 2023.

Cash flow statement (in thousands of euro)

	Mar 31, 2023	Mar 31, 2022
Operating Cash Flow		
Net result of the integrated companies	22,141	17,994
Elimination of expenses and income with no impact on the cash balance	6,245	6,305
Variation of the WCR linked to the activity	37,249	18,626
Net cash flows from operations (I)	65,636	42,925
Investment Cash Flow		
Acquisitions of tangible and intangible assets	-2,439	-2,650
Disposal of tangible and intangible fixed assets		43
Net cash balance from acquisitions and sales of financial assets	-121	-93
Changes in consolidation scope	-500	
Shareholder loans	-90,634	
Net cash flows from investment (II)	-93,694	-2,700
Financial Cash Flow		
Repayment of leasing loan		
Net cash flows from financing (III)	0	0
Change in cash position of the financial year (I + II + III)	-28,058	40,225
Opening cash balance (IV)	239,002	197,938
Closing cash balance (V)	210,591	239,002
Impact of variations of foreign currency exchange rates (VI)	354	-839
Change in cash position (V + VI - IV)	-28,058	40,225

Statutory auditor’s report on the consolidated financial statements

EY Ernst & Young Audit - Marseille

To the Shareholders of GSE

Year ended March 31, 2023

OPINION

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying consolidated financial statements of GSE for the year ended March 31, 2023.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at March 31, 2023, and of the results of its operations for the year then ended in accordance with French accounting principles.

BASIS FOR OPINION

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with the independence requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics for Statutory Auditors (*Code de déontologie de la profession de commissaire aux comptes*) for the period from April 1, 2022, to the date of our report.

JUSTIFICATION OF ASSESSMENTS

In accordance with the requirements of Articles L. 823 9 and R.823 7 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the assessments that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

As stated in the “General principles – 2 – Valuation method – Long-term contract” Note to the consolidated financial statements regarding the method used for the valuation of long-term contracts, your Company recognizes turnover and margin according to the percentage of completion method. This method involves the use of Management’s estimates, in particular to determine the percentage of completion and the projected result at completion of each contract. Our work consisted in obtaining an understanding of the processes implemented by your Company and assessing the data and assumptions on which these estimates are based. We assessed the reasonableness of these estimates, on the basis of the information available for the period ended March 31, 2023.

SPECIFIC VERIFICATIONS

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the information relating to the Group given in the President’s management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The consolidated financial statements were approved by the President.

STATUTORY AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these consolidated financial statements.

As specified in Article L. 823 10 1 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the consolidated financial statements.
- Assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Marseille, July 17, 2023

The Statutory Auditor
French original signed by
ERNST & YOUNG Audit

Xavier Senent



CORPORATE FINANCIAL STATEMENTS

Balance sheet

ASSETS

In €K	Mar 31, 2023		Mar 31, 2022	
	Gross	Depr/Prov	Net	Net
Intangible fixed assets	133,983	2,777	131,206	131,308
Tangible fixed assets	18,304	5,324	12,980	12,040
Financial assets	107,192	2,569	104,623	12,607
Fixed assets	259,480	10,670	248,809	155,954
Stocks and work in progress	2,940		2,940	2,973
Accounts receivable	89,355	1,970	87,385	75,482
Other receivables	26,403	3,052	23,352	21,312
Cash and cash equivalents	194,912	6,482	188,430	220,737
Prepaid charges	1,411		1,411	1,732
Current assets	315,021	11,503	303,518	322,237
Exchange rate differences - assets	9		9	6
TOTAL ASSETS	574,509	22,173	552,336	478,197

SHAREHOLDERS' EQUITY AND LIABILITIES

In €K	Mar 31, 2023	Mar 31, 2022
Capital	88,624	88,624
Share premium	6	6
Legal reserves	2,874	2,223
Retained earnings and other reserves	43,165	30,810
Net income	13,023	13,006
Regulated provisions	542	329
Shareholders' equity	148,234	134,997
Provisions	24,996	22,765
Advances and down payments received	743	
Accounts payable	166,084	146,338
Tax and social security liabilities	34,777	31,639
Other liabilities	99,437	77,408
Deferred income	78,044	65,028
Liabilities and deferred income	379,085	320,413
Exchange rate differences - liabilities	22	22
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	552,336	478,197

Income statement

In €K	Mar 31, 2023	Mar 31, 2022
Revenues	506,133	433,467
Purchases and external expenses	-447,610	-373,243
Labor costs	-45,114	-39,979
Taxes	-2,172	-2,181
Net changes in provisions and others	-3,151	-5,325
Operating result	8,086	12,739
Dividends received	7,543	2,708
Net changes in financial provisions	-3,432	-2,143
Other financial expenses and incomes	1,114	346
Financial result	5,225	910
Extraordinary result	100	-107
Employee profit sharing		145
Income Tax on profits	-388	-683
NET INCOME	13,023	13,006

Significant events

In December 2022, GSE absorbed :

- VEMARQ with a retroactive accounting and tax effect to April 1, 2022,
- Emma with a retroactive accounting and tax effect to May 1, 2022.

The Russian-Ukrainian war has had no significant effect on the group's activity and results, apart from the inflationary effects on its production costs.

General principles

GSE is specialized in turnkey design and construction of real estate development projects for professional use and has its headquarters in 310 allée de la Chartreuse, Avignon (84000).

The annual financial statements were prepared in compliance with the provisions of the Code of Commerce (accounting decree of November 29, 1983) and those of the Authority of Accounting Standards' regulations N° 2014-03 updated by regulations N°2015-06 of November 23, 2015, and N°2016-07 of November 4, 2016.

The accounting conventions were applied in observance of the principle of prudence, in accordance with the basic assumptions:

- Continuity of operations,
- Constancy of the accounting methods from one financial year to another,
- Independence of the financial years.

And in compliance with the general rules for the establishment and presentation of annual financial statements.

1-EVALUATION METHODS

Long-term contracts

Long-term contracts, which are defined as contracts covering a period of at least two financial years, are accounted according to the stage of completion method.

Revenues and profit margin are recognized as and when the contract costs are incurred.

Moreover, expected losses on contracts in progress are fully recognized as soon as they are identified, and a loss-at-completion provision is recorded. Such provision is accounted as "Provisions for liabilities".

The company reviews, and where necessary revises, for each contract, the estimates of revenue and costs as the contract progresses.

General principles

Therefore:

- Works in progress on long-term contracts are valued at production costs plus the accrued profit margin by reference to the stage of completion.

On the balance sheet, each construction contract is presented either as a receivable or a liability.

If costs incurred plus recognized margin exceed progress billings, the excess is presented as "Accounts receivable".

If progress billings exceed cost incurred plus recognized margin, the excess is presented as "Deferred income".

Expected losses upon completion are recorded as "Provision for liabilities" in the balance sheet.

- All remaining costs not yet recorded at construction delivery date are booked in "Invoices to be received", "Other provision for charges" and "Provision for time to be spent" (provision for charges).
- Contract costs that relate to a construction contract for which the signature is quite certain are recognized as an asset. Advances received that relate to this contract are recorded as "Deferred income".

Inventories

Inventories are stated at their acquisition cost.

An impairment loss is recognized when the market value falls below acquisition cost.

Goodwill

Goodwill is not amortized. An impairment test is performed at the year-end and if necessary, a provision is recorded.

The impairment test was carried out according to the discounted cash flow method.

Intangible fixed assets

Intangible fixed assets correspond to software recognized at their acquisition cost.

The straight-line depreciation period is 3 years.

Intangible fixed assets

Tangible fixed assets are measured at their acquisition cost.

The straight-line depreciation periods are as follows:

- Buildings : 15 to 40 years
using the component depreciation method
- Fixtures, facilities: 10 years
- Furniture: 10 years
- Equipment and tools: 5 years
- Office equipment: 3 to 5 years
- Transport vehicles: 4 years

The difference between the depreciation according to tax rules and the accounting depreciation is recorded in "Excess depreciation".

Loans and other financial assets

They are recorded at their acquisition cost.

However, provisions are posted when their estimated value in use is lower than the acquisition value.

Receivables

Receivables are recognized at nominal value.

An allowance for doubtful debts is made when there is objective evidence that a receivable is impaired.

General principles

Retirement benefits

No provision is allocated for retirement gratuities granted to employees, but rather covered during the financial years in which they are paid. The company implemented Recommendation No. 2013-02 of November 7, 2013, as amended on November 5, 2021, on the rules for the valuation and accounting of pension commitments and similar benefits.

The evaluation of the retirement benefit obligations considers a discount rate with deduction of inflation of 3.62%.

An average rate of salaries increases of 3.5 % is applied.

The hypothesis used for the retirement age is 67.

Turnover rate is based on departure for resignation reason. No turnover rate is applied for employees above the age of 49.

2-CHANGES IN ACCOUNTING METHOD

The accounting rules and methods are the same as those applied in financial year ended March 31, 2023.

Notes on the balance sheet and the income statement
(in thousands of euro)

1-INTANGIBLE FIXED ASSETS

	Mar 31, 2023	Increase	Decrease	Reclass.	Correct°	Mar 31, 2022
Goodwill	130,492					130,492
Software licenses	3,454	269		76		3,110
Other Intangible Fixed assets	5	2				3
Intangible fixed assets in progress	32	10		-76	-67	165
Gross value	133,983	282	0	0	-67	133,769
Depreciation of software licenses	2,777	316				2,462
Depreciation	2,777	316	0	0	0	2,462
Net value	131,206					131,308

The goodwill arises from:

- GSE Régions merger loss, posted following the absorption of this company on April 1, 2021, with a gross value of €12,949K,
- GSE merger loss, posted following the absorption of this company in 2015, with a gross value of €108,181K,
- GSE Management merger loss, posted following the absorption of this company in 2020, with a gross value of €375K,
- GAS merger loss, posted following the absorption of this company in 2020, with a gross value of €114K,
- GSE Ingénierie merger loss, posted following the absorption of this company in 2018, with a gross value of €5,207K,
- Michel Ferrier Engineering acquisition, goodwill of a gross value of €1,355K,
- KIC Ingénierie acquisition, goodwill of a gross value of €183K,
- IGSE acquisition, goodwill of a gross value of €650K,
- NOMA SA acquisition, goodwill of a gross value of €1,479K.

Notes on the balance sheet and the income statement
(in thousands of euro)

The increase in the "licenses and software" item for €344K is made up:

- the EnerGiSE Datawarehouse project for €86K,
- the redesign of the internet/intranet site for €52K,
- the development of the recruitment form for €44K,
- VENA software for €40K (budgeting and reporting),
- Oracle migration for €31K,
- commissioning of the QR-BTP tool for €29K.

2-TANGIBLE FIXED ASSETS

	Mar 31, 2023	Increase	Decrease	Reclass. Merger	Mar 31, 2022	
Land and land Improvement	1,677	82		265	1,331	
Buildings	8,392	2			8,390	
Fixtures and equipment	653	69	1	437	147	
Other tangible fixed assets	7,225	1,391	236		6,070	
Tangible fixed assets in progress	357	304		-265	317	
Gross value	18,304	1,848	237	0	437	16,256
Dep. Of land Improvements	46	23				23
Depreciation of buildings	1,395	377				1,018
Depreciation of fixtures and equipment	161	49	1	22		90
Depreciation of other tangible fixed assets	3,723	855	218			3,086
Depreciation	5,324	1,304	219	0	22	4,216
Net value	12,980					12,040

The increase of €82K in "Land and fixtures" and the reclassification of €265K over the year are linked to the completion of the final phase of fit-out work at the Avignon headquarters.

The amounts in the merger column correspond to the entry of a photovoltaic power plant, installed on the Avignon head office parking lot, following the takeover of EMMA 227.

The increase in "Other property, plant and equipment" is partly due to:

- the renewal of IT equipment for €385K,
- the refurbishment of the Pérols branch for €335K,
- the continued acquisition of facilities for site containers for €232K,
- the works and fittings of the headquarters in Avignon for €157K,
- The fittings of other agencies for €84K.

The decrease in "Other property, plant and equipment" was due to the scrapping of equipment, the renewal of IT equipment and office furniture.

3-FINANCIAL ASSETS

	Mar 31, 2023	Increase	Decrease	Mar 31, 2022
Shares	16,162	1,500	4,555	19,217
Loans to affiliated entities	90,569	90,569		
Deposits and guarantees	461	95	19	386
Gross value	107,192	92,163	4,574	19,603
Shares depreciation	2,569		4,427	6,996
Provisions	2,569	0	4,427	6,996
Net value	104,623			12,607

GSE has granted two loans to its shareholder GOLDBECK:

- A €40,000,000 loan, paid on May 9, 2022, for a term of 2 years and bearing interest at 1.5%,
- A €50,000,000 loan, €30,000,000 paid on March 21, 2023, and €20,000,000 paid on March 29, 2023, for a 1-year term, bearing interest at 25 basis points below the 3-month EURIBOR.

Details of shares' variation:

	Mar 31, 2023	Variation	Mar 31, 2022
GSE INMUEBLE LLAVES EN MANO SL	3,984	1,500	2,484
GSE DEUTSCHLAND GMBH	1,000		1,000
GSE ITALIA SRL	15		15
UK GSE LTD	2		2
GSE HUNGARIA KFT	12		12
GSE CHINA LTD	4,945		4,945
GSE BELGIQUE SPRL	20		20
GSEM SARL (MAROC)	2,558		2,558
CONFLUENCE SRL	137		137
VEMARQ SAS		-4,555	4,555
GSE AUVERGNE SAS	50		50
GSEPT UNIPESSOAL LDA	3,320		3,320
FONCIERE GSE SAS	100		100
CONFLUENCE SAS	10		10
GSE ROMANIA	0,05		0,05
CONFLUENCE IBERIA SL	10		10
Total	16,162	-3,055	19,217

Notes on the balance sheet and the income statement
(in thousands of euro)

During the year ended March 31, 2023, GSE:

- absorbed VEMARQ. The shares of this company amounted to €4,427K,
- absorbed EMMA 227. The shares of this company amounted to €0,1K.

“Shares depreciation” breakdown:

	Mar 31, 2023	Variation	Mar 31, 2022
GSEM SARL (MAROC)	2,558		2,558
GSE HUNGARIA KFT	12		12
VEMARQ SAS		-4,427	4,427
Total	2,569	-4,427	6,996

4-INVENTORIES AND WORK IN PROGRESS

	Mar 31, 2023	Mar 31, 2022
Inventory: raw material	133	
Lands under development	2,633	2,633
Work in progress on long-term contracts	174	339
Net value	2,940	2,973

5-RECEIVABLES

	Mar 31, 2023	Mar 31, 2022
Accounts receivable – non group	55,495	61,469
Bad debt	2,403	3,256
Bad debt depreciation	-1,970	-2,685
Accounts receivable – group	3,134	2,322
Invoices to be established	28,323	11,120
Suppliers' credit notes to be received	30	
Staff-related receivables	2	6
Social welfare bodies	30	35
State: taxes and VAT	18,383	17,947
Current account	3,821	1,952
Depreciation of current accounts	-916	-1,108
Advances and sundry debtors	4,137	4,787
Depreciation of various advances and debtors	-2,135	-2,307
Prepaid charges	1,411	1,732
Exchange rate differences - assets	9	6
Net value	112,156	98,532

The "State: taxes and VAT" item includes at the balance sheet date:

- deferred VAT and VAT on inventory entries amounting to €17,863K,
- a corporate income tax credit in France of €520K.

On May 17, 2014, GSE signed a cash pooling agreement with other group companies, of which it is the lead company.

The current account provision of €1,107K relating to the Hungarian subsidiary has been partially reversed in the amount of €191K.

The category “Advances and sundry debtors” includes mainly an advance of €1,918K to the company Sprink’R, which is 100% depreciated, and advances for local taxes for building permits submitted by GSE for €1,201K.

All receivables are due within one year.

Notes on the balance sheet and the income statement
(in thousands of euro)

6-CASH AND CASH EQUIVALENTS

	Mar 31, 2023	Mar 31, 2022
Investment securities	178,283	175,823
Provision for impairment of investment securities	-6,482	-2,858
Interest-bearing bank accounts	15,970	25,004
Cash	658	22,769
Total	188,430	220,737

The book value of the cash and cash equivalents is equal to the liquidation value.

A provision for impairment has been recorded for an amount of €6,482K, reflecting an unrealized loss in value.

7-EQUITY

As of March 31, 2023, the share capital was made up of 88,623,548 shares with a nominal value of €1.

	Mar 31, 2023	
	Number of shares	% of holding
GOLDBECK Europe Gmbh	86,520,366	97.63%
Individual Shareholders	2,103,182	2.37%
Total	88,623,548	100%

Equity as of Mar 31, 2022	134,997
2022/23 Result	13,023
Variation of regulated provisions	213
Equity as of Mar 31, 2023	148,234

8-PROVISIONS FOR RISKS AND CHARGES

	Mar 31, 2023	Allowance	Reversal	Mar 31, 2022
Provision for losses at completion	2,264	2,264	506	506
Provision for disputes and litigation	7,185	518	604	7,271
Provision for foreign exchange losses	9	9	6	6
Provisions for risks	9,457	2,790	1,115	7,782
Provision for time to be spent on completed contracts	3,123	3,123	3,980	3,980
Other provisions for charges	12,415	6,104	4,691	11,002
Provisions for charges	15,538	9,227	8,672	14,983
Total	24,996	12,018	9,787	22,765

The allowances for provisions for disputes and litigation is composed of:

- allowances for risks on projects of €208K,
- allowances for deductibles and insurance retention of €171K, linked to claims filed but not yet closed,
- allowances for severance pay and employee disputes, for €139K.

The reversals of provision for disputes and litigation is composed of:

- reversals of provision related to projects of €220K,
- reversals of provision for deductibles and insurance retention of €207K, linked to closed claims,
- reversals of provision for severance pay and employee disputes, for €177K.

Allowances and reversals of "Other provisions for charges" correspond to provisions for various charges related to construction projects.

Notes on the balance sheet and the income statement
(in thousands of euro)

9-OPERATING LIABILITIES

	Mar 31, 2023	Mar 31, 2022
Suppliers	95,746	75,912
Invoices to be received	70,338	70,426
Advances and down payments received	743	
Staff-related liabilities	10,773	10,280
Social welfare bodies	6,245	5,946
State: VAT and charges to be paid	17,758	15,414
Current accounts	99,185	77,273
Other credit accounts	75	46
Accrued liabilities	177	89
Deferred income on general contracting activity	78,044	65,028
Exchange rate differences – liabilities	22	22
Total	379,107	320,435

All debts have a term of less than 1 year.

The supplier balance includes:

- non-group suppliers: €60,074K,
- group suppliers: €169K,
- guarantee withholding: €5,059K,
- end of work withholding: €30,444K.

The category “Current accounts” is linked to the centralization of the management of cash surpluses at GSE level for all subsidiaries in the euro zone up to €99,185K.

10-OFF BALANCE SHEET COMMITMENTS

	Mar 31, 2023	Mar 31, 2022
Guarantees given	166,826	74,334
Completion guarantees	70,930	120,278
Pension commitments	4,655	5,188
Total commitments given	242,411	199,800
Guarantees received	25,234	20,047
Total commitments received	25,234	20,047

The bonds and guarantees given correspond to the commitment of GSE to the financial institutions that have stood surety for GSE:

- for the benefit of clients as performance bonds for work contracts and in exchange for guarantee withholding,
- for the benefit of subcontractors for the payment of sums due in the context of their works contracts.

The amount of bonds and guarantees given is a percentage of price of the contract to which they are attached.

The amount of financial guarantees of completion corresponds to the price including VAT or the cost of sales price including VAT of the contract of which the completion guarantees is the accessory, at the guarantee issuance date and is no subject to any amortization nor any weighting in relation to the works performed.

The financial completion guarantees (“GFA”, specific French guarantee) in force on March 31, 2023, break down as follows:

Month of insurance	Amount of guarantee issued	% of completion by March 31, 2023
December 2021 - project 1	10,518	83%
December 2021 - project 2	3,072	91%
October 2022	29,172	69%
December 2022	14,793	66%
January 2023	6,696	25%
February 2023	6,679	15%
Total	70,930	

Notes on the balance sheet and the income statement
(in thousands of euro)

The bonds and guarantees received correspond to the commitments received from financial organizations that acted as guarantors for subcontractors to guarantee their commitment during the year of the perfect completion guarantee.

11-REVENUES

	Mar 31, 2023	France	Export	Mar 31, 2022
General contractor contracts	491,251	491,251		421,134
Services related revenues	14,212	6,387	7,825	11,982
Other revenues	670	670		351
Total	506,133	498,308	7,825	433,467

12-FINANCIAL RESULT

	Mar 31, 2023	Mar 31, 2022
Investment interest	2,412	312
Dividends	7,543	2,708
Merger loss	-7	
Variation in provisions for net negative equity of subsidiaries	191	715
Interest paid on current accounts	-1,415	-53
Interest received on current accounts	48	1
Net foreign exchange result	-17	95
Other interest paid and received	94	-9
Impairment of investment securities	-3,623	-2,858
Total	5,225	910

13-EXTRAORDINARY RESULT

	Mar 31, 2023	Mar 31, 2022
Compensation paid following disputes	-382	-417
Compensation received following disputes	428	361
Reversal of prescribed debts	270	216
Change in regulated provisions	-213	-261
Provision for risks on projects	-18	-5
Other extraordinary incomes	20	
Other extraordinary expenses	-4	-1
Total	100	-107

Other information

1-TAX AUDIT

GSE company is subject to a tax audit for the financial years ended December 31, 2019, and March 31, 2021, and has received a proposed reassessment from the tax authorities which the company has contested. This proposed reassessment had no impact on the company's financial statements for the year ended March 31, 2023.

2-STAFF

The average staff for the 2022/23 financial year ended March 31, 2023, was 389, compared with 366 people on average for the 2021/22 financial year ended March 31, 2022.

3-TAX ON PROFITS

GSE opted for the tax consolidation scheme for a period of five years as of May 12, 2006, tacitly renewable.

The amendment to the tax consolidation agreement signed on December 30, 2013, provides that as of the financial year opened on 1st January 2013, the beneficiary subsidiaries pay the parent company the amount that they would have had to pay to the State Tax Authorities if they were not members of the Integrated Group and the tax savings made by the group are kept by the parent company.

The tax result of the consolidated tax group for the financial year ended March 31, 2023, is a profit of €7,337K.

The loss amount that could be carried forward as of March 31, 2023, is €14,871K.

The tax due from the other members of the group in the absence of tax integration is zero.

The future tax receivables, linked to timing differences between tax and accounting rules, are €613K.

4-CONSOLIDATION

GSE produces consolidated financial statements as the parent company.

The accounts of the GSE are consolidated in the accounts of the GOLDBECK GmbH group.

5-DIRECTORS

For reasons of confidentiality, the amounts of the remuneration paid to the members of the management bodies are not communicated.

No advances or loans were granted to them.

6-INFORMATION CONCERNING THE LINKED COMPANIES

These appendices were not established according to the simplified model. All the transactions between the linked companies are concluded in normal market conditions.

7-SUBSEQUENT EVENTS

There are no subsequent events that have a significant financial impact on the financial statements as of March 31, 2023.

Table of subsidiaries and holdings

List of the subsidiaries and holdings									
Amount in euro as of Mar 31, 2023									
Subsidiaries	Share of capital held in %	Capital	Other equity capital	Book value of the shares held		Loans and advances	Net result*	Dividends attributed	Endorsements and guarantees
				Gross	Net				
GSE Belgique SPRL	100%	18,550	-944,249	20,031	20,031		282,485		
GSE China Ltd	100%	6,251,529	-301,521	4,944,822	4,944,822		77,448		
GSE Deutschland GmbH	100%	1,000,000	2,902,047	1,000,046	1,000,046		6,075,200		
GSE Hungaria Kft	100%	7,905	-1,067,001	11,822		1,468,573	95,184		
GSE Inmueble Llaves en Mano SL	100%	12,020	2,311,388	3,984,404	3,984,404	893,440	-2,071,841		
GSE Italia SRL	100%	100,000	329,764	15,339	15,339		17,431,890	5,900,000	
GSE Romania SRL	100%	101,031	1,293,252	47	47	253,418	-884,601		
GSEM SARL	100%	990,387	-30,236	2,557,610			-19,476		
UK GSE Ltd	100%	1,137	98,220	1,661	1,661		-8,435		
GSE Auvergne SAS	50%	100,000	66,893	50,002	50,002		455,577	250,010	
CONFLUENCE SRL	65%	210,000	3,089,575	136,500	136,500		575,383		
GSEPT Unipassoal LDA (Portugal)	100%	3,320,000	78,163	3,320,000	3,320,000		1,742,358	1,392,954	
FONCIERE GSE SAS	100%	100,000	-2,227	100,000	100,000	266	-2,599		
CONFLUENCE SAS	100%	10,000	-13,545	10,000	10,000	1,205,400	-949,839		
CONFLUENCE IBERIA	100%	10,000	29,429	10,000	10,000		181,208		
Total		12,232,559		16,162,285	13,592,853	3,821,097		7,542,954	0

* Statutory data with an estimated tax charge

Statutory auditor’s report on the corporate financial statements

EY Ernst & Young Audit - Marseille

To the shareholders of GSE

Year ended March 31, 2023

OPINION

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying financial statements of GSE for the year ended March 31, 2023.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at March 31, 2023 and of the results of its operations for the year then ended in accordance with French accounting principles.

BASIS FOR OPINION

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditor’s Responsibilities for the Audit of the Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with the independence requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics for Statutory Auditors (*Code de déontologie de la profession de commissaire aux comptes*) for the period from April 1, 2022 to the date of our report.

JUSTIFICATION OF ASSESSMENTS

In accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the assessments that, in our professional judgment, were of most significance in our audit of the financial statements of the current period.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

As stated in Note “General principles – 1. Valuation method” to the financial statements regarding the method used for the valuation of long-term contracts, your Company recognizes turnover and margin according to the percentage of completion method. This method requires Management to use estimates, in particular to determine the percentage of completion and the projected result of each project. Our work consisted in obtaining an understanding of the processes implemented by your Company and assessing the data and assumptions on which these estimates are based. We assessed the reasonableness of these estimates, on the basis of the information available for the year ended March 31, 2023.

SPECIFIC VERIFICATIONS

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the President’s management report and in the other documents with respect to the financial position and the financial statements provided to the shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in Article D. 441-6 of the French Commercial Code (*Code de commerce*).

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The financial statements were approved by the President.

STATUTORY AUDITOR’S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the financial statements.
- Assesses the appropriateness of Management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Marseille, July 17, 2023

The Statutory Auditor
French original signed by
ERNST & YOUNG Audit

Xavier Senent

gsegroup.com

